



FOR IMMEDIATE RELEASE
August 28, 2006

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DME Competitive Bidders Afforded over 14 Months Between Site And Winners' Announcements – Labs Will Have Two-Three Maximum

ACLA Decries Lack of Adequate Time to Prepare Bids

Washington, D.C. – The Centers for Medicare & Medicaid Services (CMS) announced the sites for the Durable Medical Equipment (DME) competitive bidding demonstration more than *14 months* before the winning bidders were announced in August 1999. By comparison, CMS will afford laboratories a mere two to three months maximum from the time the first laboratory competitive bidding demonstration site is announced to the selection of winning bidders.

“Since CMS has not yet announced the first site for the laboratory competitive bidding demonstration, and this is not likely until the fall, laboratories would have as little as two to three months to prepare bids for this staggeringly complex bidding submission,” commented Alan Mertz, President of the American Clinical Laboratory Association. “That is simply not enough time for laboratories, and far less than DME suppliers were provided.”

“While the DME demonstration project involved bidding separately on a mere *five manufactured products*, the laboratory demonstration project will involve bidding on *each of over 1,000 laboratory tests*,” Mertz said.

“Laboratory services are not a piece of equipment or other commodity that can be manufactured and shipped to a destination. Indeed, laboratories provide complex *services* requiring collecting specimens from patients, transporting them within hours to laboratories which employ highly trained personnel and sophisticated equipment to perform testing, and reporting results to physicians, in most cases, the very next day.”

“No laboratory serves all Medicare beneficiaries, nor does a single laboratory perform all tests. Given the complexity of laboratory services, the fact that the site for the demonstration has not been announced, and the many remaining unanswered questions about the competitive bidding design, January 2007 is an unrealistic deadline for picking winning bidders.”

ACLA is a non-profit trade association representing national, regional, and local laboratories.

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